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# Dafeng Port Heshun Technology Company Limited
# 大豐港和順科技股份有限公司

*(Incorporated in Cayman Islands with limited liability)*

**(Stock code: 8310)**

## PROFIT WARNING

This announcement is made by Dafeng Port Heshun Technology Company Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the "**GEM Listing Rules**") and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) (the "**SFO**").

The board (the "**Board**") of directors (the "**Directors**") of the Company would like to inform the shareholders (the "**Shareholders**") and potential investors of the Company that, based on the information currently available and the preliminary assessment of the unaudited consolidated financial statements of the Group for the six months ended 30 June 2018 (the "**Interim Results**"), the Group is expected to record a loss after taxation of approximately HK$60 million for the six months ended 30 June 2018, comparing to a profit of approximately HK$5.5 million for the corresponding period in 2017. The loss was mainly due to (i) the substantial loss of the Group's integrated logistics freight services for the six months ended 30 June 2018 as compared to a profit for the corresponding period in 2017; (ii) the one-off subsidies received from the government by 大豐海港港口物流有限公司 (Dafeng Harbour Port Logistics Company Limited*) ("**Dafeng Logistics**"), which was disposed by the Company in June 2017, for the six months ended 30 June 2017 whereas no such subsidies was recognised for the corresponding period in 2018; (iii) the one-off gain recognised from the disposal of Dafeng Logistics which was completed on 30 June 2017, for the six months ended 30 June 2017 whereas no such gain was recognised for the corresponding period in 2018; (iv) the one-off gain recognised from the disposal of certain of the Group's property, plant and equipment for the six months ended 30 June 2017 whereas no such gain was recognised for the corresponding period in 2018; (v) the increase in the finance costs of the Group; (vi) the increase in administrative expenses incurred in relation to the placing of the unlisted secured bonds of US$50 million which was completed

on 29 March 2018; and (vii) the substantial loss of the Group's petrochemical products trading business for the six months ended 30 June 2018 as compared to a profit for the corresponding period in 2017.

The Company is in the process of finalising the Interim Results. The information contained in this announcement is only based on a preliminary assessment by the management of the Company based on the information currently available and such information has not been reviewed by the audit committee of the Board, and is subject to any adjustments if necessary. The Interim Results are expected to be published by no later than 10 August 2018.

**Shareholders and potential investors of the Company are advised to exercise caution in dealing in the securities of the Company.**

By order of the Board
**Dafeng Port Heshun Technology Company Limited**
**Ni Xiangrong**
*Chairman*

Hong Kong, 25 July 2018

*As at the date of this announcement, the Board comprises the following members:*

| *Executive Directors* | *Non-executive Directors* | *Independent Non-executive Directors* |
|---|---|---|
| Mr. Ni Xiangrong *(Chairman)* | Mr. Ji Longtao | Dr. Bian Zhaoxiang |
| Mr. Shum Kan Kim | Mr. Yang Yue Xia | Mr. Lau Hon Kee |
| Mr. Pan Jian | Mr. Miao Zhibin | Mr. Yu Xugang |
| Mr. Sun Lin | | Mr. Zhang Fangmao |

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for a minimum period of 7 days from the date of its publication and on the Company's website at www.dfport.com.hk.*

* *For identification purposes only*